

PAN HONG PROPERTY GROUP LIMITED

(Incorporated in Bermuda)
(Registration Number: 37749)



汎港地產集團
PAN HONG PROPERTY GROUP

CLARIFICATION OF REPORT IN THE BUSINESS TIMES ON 31 JULY 2010

The Board of Directors of Pan Hong Property Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the article - “Pan Hong sees sales jumping 50% this year” reported in the Business Times (BT) on 31 July 2010.

It was stated in the article that the Group’s Executive Chairman, Mr. Wong Lam Ping said that the Group “plans to boost the amount of real estate that it would sell by 50 per cent from four million square metres in 2009” .

The Board would like to clarify as follows:

The Group had reported in its Annual Report 2009/2010 (page 11) that it had sold 60,434 square metres in gross floor area (“GFA”) of its three main property projects, namely Nanchang Honggu Kaixuan Phase 2, Huzhou Liyang Jingyuan Phase 2 and Hangzhou Liyang Yuan for the financial year ended 31 March 2010 (“FY2010”) and not 4 million square metres in GFA in 2009 or FY2010 as stated in the article. Figures on GFA (pre-sales and sold) are announced in the Company’s quarterly financial announcements and the Annual Reports.

Based on the above and in response to questions raised by a reporter on how the pre-sale units of the Company’s current property projects would fare when compared with previous quarters in FY2010 (for the financial year ended 31 March 2010) and how the pre-sales value would affect future revenue, Mr. Wong had responded that it was estimated to be 50% more in FY2011. When Mr. Wong mentioned this percentage, he was referring to the announced pre-sales value of RMB702.0 million for end-1Q2011 compared with the announced revenue of RMB432.7 million in FY2010.

BY ORDER OF THE BOARD

By Order of the Board
Wong Lam Ping
Executive Chairman
02 August 2010

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